

**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF STATE  
BUREAU OF SECURITIES REGULATION**

IN THE MATTER OF:

Merryfield Investment Management, Inc.,  
and Peter D. Field

Respondents

)  
)  
) ORDER TO CEASE AND DESIST  
)  
) C-2021-000007  
)  
)

**NOTICE OF ORDER**

This Order commences an adjudicative proceeding under the provisions of RSA 421-B:6-613.

**LEGAL AUTHORITY AND JURISDICTION**

Pursuant to RSA 421-B:6-604(a), the Secretary of State has the authority to issue and cause to be served an order requiring any person appearing to him to be engaged or about to be engaged in any act or practice constituting a violation of RSA 421-B or any rule or order thereunder, to cease and desist from violations of RSA 421-B.

Pursuant to RSA 421-B:5-508, any person who willfully violates a cease and desist order issued pursuant to RSA 421-B:6-603 or RSA 421-B:604, or who violates RSA 421-B:5-505 knowing that the statement was false or misleading in any material respect, shall be guilty of a class B felony.

Pursuant to RSA 421-B:6-604(d), the Secretary of State has the authority to impose administrative penalties of up to \$2,500 for a single violation of this chapter.

Pursuant to RSA 421-B:6-604(d), the Secretary of State has the authority to permanently bar any person from registration or licensure in the State of New Hampshire.

Pursuant to RSA 421-B:6-604(e) the Secretary of State may order rescission, restitution or disgorgement for violations of this chapter.

Pursuant to RSA 421-B:6-604(g), the Secretary of State may charge the actual cost of an investigation or proceeding for a violation of this chapter or an order issued under this chapter.

### **NOTICE OF RIGHT TO REQUEST A HEARING**

The above-named Respondents have the right to request a hearing on this order to cease and desist, as well as the right to be represented by counsel. Any such request for a hearing shall be in writing, shall be signed by the respondents, or by the duly authorized agent of the above-named Respondents, and shall be delivered either by hand or certified mail, return receipt requested, to the Bureau of Securities Regulation, Department of State, 25 Capitol Street, Concord, New Hampshire 03301.

Under the provisions of RSA 421-B: 6-604(b), within 15 days after receipt of a request in a record from the Respondents, the matter will be scheduled for a hearing. If the Respondents subject to the order do not request a hearing and none is ordered by the secretary of state within 30 days after the date of service of the order, the order becomes final. If a hearing is requested or ordered, the secretary of state, after notice of and opportunity for hearing to the Respondents subject to the order, may modify or vacate the order or extend it until final determination. If the Respondents to whom a cease and desist order is issued fails

to appear at the hearing after being duly notified, such Respondents shall be deemed in default, and the proceeding may be determined against him or her upon consideration of the cease and desist order, the allegations of which may be deemed to be true.

## **STATEMENT OF ALLEGATIONS**

The allegations contained in the Staff Petition for Relief dated October 4, 2023 (a copy of which is attached hereto) are incorporated by reference hereto.

## **ORDER**

**WHEREAS**, finding it necessary and appropriate and in the public interest, and for the protection of investors and consistent with the intent and purposes of the New Hampshire securities laws, and

**WHEREAS**, finding that the allegations contained in the Staff Petition, if proved true and correct, form the legal basis of the relief requested, therefore:

It is hereby **ORDERED**, that:

1. Respondents are hereby ordered to immediately cease and desist from further violations of N.H. RSA 421-B.
2. Respondent's state investment adviser registration is summarily suspended pending final determination of this administrative proceeding.
3. Respondents shall jointly and severally pay restitution of \$850,000, the exact amount which may be subject to adjustment following this administrative proceeding.
4. Respondents shall jointly and severally pay a fine of \$2,500 for each violation of this chapter, the amount of which to be determined by the Hearing Officer.
5. Respondents shall jointly and severally pay the Bureau's costs of investigation in the amount of \$50,000.

6. Failure to request a hearing within 30 days of the date of receipt of this Order shall result in a default judgment being rendered and administrative penalties and other relief described herein being imposed upon the defaulting Respondents.

SIGNED,  
**DAVID M. SCANLAN**  
**SECRETARY OF STATE**  
BY HIS DESIGNEE:

Dated: 10-5-2023

  
\_\_\_\_\_  
Barry J. Glennon, Director  
N.H. Bureau of Securities Regulation

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF STATE  
BUREAU OF SECURITIES REGULATION  
25 CAPITOL STREET  
CONCORD, NH 03301

**STAFF PETITION FOR RELIEF**

**IN THE MATTER OF:**

Merryfield Investment Management, Inc.,

Peter D. Field

C-2021-000007

- I. The State of New Hampshire, Department of State, Bureau of Securities Regulation (hereinafter referred to as “the Bureau”), hereby petitions the Director, and makes the following statement of facts:

**STATEMENT OF FACTS**

**Introduction**

1. In February of 2008, Peter Field (hereinafter “Field”) of New London, New Hampshire, started a state-registered advisory firm in New London, New Hampshire called Merryfield Investment Management, Inc. (hereinafter “MIMI”). The organization is a corporation that has a board of directors that meets annually. Although Field is the sole board member at this time, at its inception, the board consisted of Field, Field’s father, and Field’s brother.

2. In August of 2010, MIMI’s board caused to be published a Special Notice to Board of Directors Regarding Disclosures of Loans Between Peter D. Field and Certain Creditors. *See* Exhibit 1. In the Notice, MIMI announced the decision of the board that Field would be borrowing money from individuals and selling some of his stock in MIMI to individuals under a sale repurchase agreement. *Id.* On 8/17/2012, Articles of Amendment to the Articles of Incorporation

were filed with the New Hampshire Secretary of State, authorizing the issuance of shares of MIMI. The current authorization is for 1000 common and 536 preferred, and the shares issued and outstanding are 1000 common and 536 preferred.

3. On or about September 30, 2021, the Bureau commenced an investigation of Field and MIMI and learned that the sale of MIMI stock commenced around 2012, that Field had sold shares of MIMI to his advisory clients, and that Field had also borrowed money from his advisory clients. Borrowing money from advisory clients is a violation of N.H. Rev. Stat. Ann. § 421-B:5-502 unless certain exceptions apply, and the Bureau determined that none of the exceptions applied in this case. The Bureau also determined that an advisor selling stock that he owns to clients presented certain conflicts of interest which were not disclosed.

4. The Bureau determined that when Field sold MIMI shares with a repurchase agreement, he did not disclose to his advisory clients who purchased shares that he was financially unable to repurchase the shares in a one-time payment, but had to, in effect, enter into a loan agreement with his client to repurchase the shares with monthly payments plus interest. Because of these repurchase agreements and the various borrowing Field engaged in over the years, he is now indebted to his advisory clients for over approximately \$850,000, not including interest, and if debt Field owes to MIMI and Mascoma Bank is added, the amount is over one million dollars. MIMI's assets are allegedly only \$243,083 as of December 31, 2022. See Exhibit 3. During under-oath and on-the-record testimony of Field by the Bureau, Field admitted that he does not have the current ability to pay back this debt unless he was able to do so over time. As alleged in this Petition below, not only are the borrowing and share purchase transactions a violation of New Hampshire securities law, but they present a substantial financial risk to the MIMI clients and have, in essence, negated Field's fiduciary obligation to be unbiased toward his clients and act in their best interest.

5. During the Bureau's investigation, Field asserted to the Bureau that his borrowing and stock sales were his personal conduct—not the conduct of MIMI—and should be looked at as being distinctly separate. In actuality, MIMI is the alter ego of Field, and for the reasons listed below, the personal conduct of Field in borrowing money from clients and selling his MIMI stock

holdings was facilitated by and through MIMI and could not have taken place if not for the MIMI/client relationship.

**Field Engaged in Borrowing From Clients and MIMI Share Sales to Clients**

6. Field is an investment advisor representative who resides in New London, New Hampshire (CRD number 4391810). MIMI is an investment advisor firm formed on or about March 4, 2008 (CRD number 146567). Field is MIMI's sole agent, sole employee, sole operator, and only member of its board of directors.

7. Pursuant to MIMI's Articles of Incorporation and Amended Articles of Incorporation, MIMI authorized and issued 1,000 shares of common stock and 536 shares of preferred stock beginning in 2012.

8. MIMI has assets under management ("AUM") of approximately \$42 million with approximately 80 household accounts as of November 2022.

9. MIMI, through Field, provided and continues to provide investment advisory services to clients in exchange for an AUM fee based on the amount AUM provided by clients (the "AUM fee"). From 2008 to present, MIMI's typical management fee for clients has been between 0.15% and 1.50% per year, depending on amount of individual client AUM.

10. On November 18, 2022 and March 22, 2023, Field testified at the Bureau. According to Field's testimony, on numerous occasions, he solicited and obtained loans from his clients (Field and MIMI's clients that Field borrowed from and sold MIMI stock to will hereinafter be referred to as the "Clients"). (See Field 3/22/23 Bureau Testimony, 9-12.) Field stated that he negotiated the terms of these loans with the Clients. (Field 3/22/23 Bureau Testimony, 18.) According to Field, he borrowed money from clients because he needed money to pay for operating expenses and living expenses. (Field 3/22/23 Bureau Testimony, 18-19.)

11. Beginning in 2012, Field sold common and preferred shares in MIMI to Clients. The price of the share was determined by Field by taking the most recent year's total gross revenues of

MIMI, multiplying by two, then dividing by the number of outstanding shares—1536. Typically, the sale of shares was also in exchange for a reduction in the AUM fee paid by the Client. The fee reductions ranged from 100 percent to zero percent. Common shares provided voting rights without dividends; preferred shares provided dividends without voting rights. Field testified that he negotiated the AUM fee reduction with Clients and attempted to obtain as small a fee reduction as possible. (Field 11/18/22 Bureau Testimony, 44, 45, and 51.) When the Bureau interviewed Clients, many stated there was no negotiation—Field simply stated what the reduction amount would be. Field utilized what he knew about the Client’s account to determine which Clients were solicited for borrowing and share sales. Field testified that he selected the Client based on their net worth, ability to provide the funds, and their willingness to stay out of the day-to-day operations of MIMI.

12. On numerous occasions, Clients exercised the repurchase provision and requested that Field buy back their shares. The Bureau found that, in every instance except the sale to Client 13, (See Exhibit 2.) Field was unable to make a one-time repurchase payment and negotiated with the Client an amortized repayment schedule to include interest on a per-month basis. Field has or had an amortized repayment schedule with the following Clients: # 1, 11, 15, 18, 19, and 20.

13. As of the date of this filing, MIMI and Field are believed to owe in client loans and stock repurchase obligations totaling over approximately \$850,000, not including promised interest. *See Exhibit 2* (consisting of a table of the loans and stock sale transactions completed by Field, as well as the current status of the repayment of the loans and repurchase of the stock). Field also borrowed money from MIMI and placed an entry in his books and records titled “note receivable” amount. If that amount Field owes MIMI in loans is added to the amount he owes as listed in Exhibit 2 together with Field’s debt to Macoma Bank, the amount owed is over one million dollars. *See Exhibits 2 and 3.*

#### **Field Has an Inability to Repurchase MIMI Shares in a Lump-Sum Payment**

14. On 4/1/2023, Field wrote to Client #1, acknowledging her desire to terminate her relationship with MIMI and facilitating the MIMI stock repurchase. Field stated “I don’t have the cash to pay you upfront, but I am willing to sign a note to be paid monthly over the next 5 years at



the interest rate of 5.8%.”

15. Field and Client #11 signed a Sale and Repurchase of Common Stock Agreement dated 11/7/2014, which provides for a repurchase by Field upon request on 11/7/2019. Field did not repurchase the shares upon request on 11/7/2019. Field instead set up a monthly payment plan at 14% interest for the shares, commencing in November 2019. As of the date of this petition, a balance remains on this amount and will not be fully paid until 7/1/2024.

16. On 2/1/2019, Client #15 e-mailed Field and told him he wanted to get out of his MIMI shares. On 2/13/2019, Field e-mailed Client #15 back and indicated that he was waiting for an answer from Sugar River Bank and was also speaking to people who might be interested in purchasing his shares. When those alternatives did not pan out, Field offered Client #15 a repurchase over time with interest. In March 2019, Field signed a promissory note to pay the repurchase amount over 36 months at 5% interest, commencing in April 2019 and ending in October 2022. The note was paid in full.

17. Client #18 had a strained relationship with Field due to Field’s slow repayment of a loan and repurchase of MIMI common shares. On 2/6/2013, Client #18 and Field signed a Sale and Repurchase Agreement, calling for the sale of 154 MIMI common shares. The agreement called for repurchase of the shares on 2/6/2016. On 6/2/2016, Field agreed to repurchase the 154 shares, but he did not have the financial means to do so. Previously, on 5/24/2013, Client #18 purchased a convertible bond from Field for \$40,000. The bond would pay 15% interest every six months until maturity on 5/24/2016. At maturity, Client #18 would have the option of converting the bond to 154 shares of MIMI or repayment. If the bond converted to shares, Client #18 would have the ability to sell them back to Field on 5/24/2020. In 2016, Client #18 did not convert the bond to shares. In 2016, Field was trying to come to an agreement with Client #18 on repaying for both the bond and the shares over multiple years, but Client #18 did not want to wait that long and wanted repayment sooner. On 6/2/2016, Field signed a promissory note to pay back the bond in 36 installments at 15% interest until 5/4/2019. The first payment occurred on 6/4/2016. Many times, Field asked that the checks for these payments be held and not cashed. Field also asked for more money from Client #18 so Field could pay his taxes. Client #18 declined. Up until 2019, Field was slow in paying and asked for delays. In 2019, Field paid back the bond and began paying for the shares. A payment check for

February 2022 bounced. Due to Field's financial difficulties, the share repurchase was not satisfied until August 2022—over nine years from the date of the original Sale and Repurchase Agreement and over six years from the date repurchase was originally due and owed.

18. In July 2021, Client #20 retained a lawyer to arrange to have her shares in MIMI repurchased. Her Sale and Repurchase Agreement did not state a specific date when a repurchase could take place. Field responded in an e-mail from Client #20's lawyer that "since I do not have the cash today to write her a check, I am willing to sign a note to be amortized, with interest, over a reasonable period of time." A promissory note was issued by Field in September 2021 to commence monthly payments at 7.99% interest until December 2023.

#### **Failure to Update Investment Advisory Agreements**

19. When Field and MIMI sold MIMI stock to Clients and gave Clients an AUM fee reduction, Field and MIMI did not update the investment advisory agreements to reflect the lowered AUM fee for Clients #1, 2, 6, 10, 11, 13, 15, 19, and 20.

#### **Outstanding Financial Obligations**

20. As of the date of this Petition, to the Bureau's knowledge, Field and MIMI owe Clients, former clients, and non-clients over approximately \$850,000. *See* Exhibit 2. If the amount Field owes MIMI from money he borrowed plus the money Field owes Mascoma Bank is added onto that \$850,000 figure, the amount owed in total is over one million dollars. Field and MIMI have been unable to pay back Clients for their shares or for money he borrowed upon request, and according to Field's testimony, if all of the people he owed money to asked for their money back simultaneously, he would be unable to pay them all back. (Field 3/22/23 Bureau Testimony, 60 and 62.) This presents a substantial risk of nonpayment back to the Clients, and if multiple Clients ask for repurchase and repayment simultaneously, Field would have the inability to do so, presenting a substantial risk of loss to the Clients.

### **MIMI is the Alter Ego of Field**

21. Field utilized MIMI to accomplish his personal, financial goal to obtain money from his Clients to pay his personal bills and to operate MIMI. MIMI is the alter ego of Field, and therefore, Field's share sales and borrowing with and from Clients is attributed to both MIMI, the adviser firm, and Field, the advisor agent. The money Field obtained from his Clients was above and beyond the traditional AUM fees an adviser typically charges and receives from clients. MIMI is the alter ego of Field because their conduct is one and the same. Field utilized money obtained from share sales and borrowing to operate MIMI. Field reduced the AUM fee to Clients as an incentive for Clients to invest in MIMI and lend money. Field solicited select Clients of MIMI knowing their worth and ability to pay for the shares and the loans. Field was the sole officer and board member of MIMI and Field solely controlled the conduct of MIMI and MIMI controlled the conduct of Field.

### **Field Failed to Disclose Material Information to Clients and Engaged in a Conflict of Interest**

22. When Field sold his shares in MIMI to Clients, he did not provide them with any written disclosure. In verbal conversations with Clients, he failed to disclose that he had an inability to repurchase shares when the Client exercised that option of the Share Repurchase Agreement and the repurchase amount, in effect, became a loan to Field to be paid back over time, with interest. Field did not disclose to clients not listed on Exhibit 2 that he was offering shares in MIMI for sale, and that he would grant an AUM fee reduction if shares were purchased. Field did not disclose a conflict of interest to the Clients listed on Exhibit 2 when he negotiated a fee reduction with Clients in exchange for shares of MIMI and that the purchase may not be in their best interest. In fact, he would state the opposite—that it was a good financial opportunity. Field did not disclose to Clients listed on Exhibit 2 that the repurchase of shares would be paid out over time and at a high interest rate, potentially impairing the financial condition of MIMI. Field did not disclose to Clients that when he sold shares and reduced his AUM fee, that the full potential value of the MIMI shares would not be realized, because shares were valued at two times total revenues

divided by the number of shares.

**MIMI's Form ADV was False**

23. In MIMI's Form ADV dated 3/28/2023, in the section identified as Participation or Interest in Client Transactions, Proprietary Interest in Client Transactions, on the question that asks whether MIMI buys securities for yourself from advisory clients, or sells securities you own to advisory clients, MIMI selected "no." Sales Interest in Client Transactions, on the question that asks do you or any related person recommend purchase or sale of securities to advisory clients for which you or a related person has any other sales interest, (other than receipt of sales commissions as a broker or registered representative of a broker-dealer) MIMI also selected "no."

**STATEMENTS OF LAW**

II. The Bureau hereby petitions the Director and makes the following statements of law under the New Hampshire Revised Statutes Annotated, RSA 421-B:

1. MIMI is an investment advisor as defined by RSA 421-B:2, IX prior to 1/1/2016 and RSA 421-B:1:102(26) after 1/1/2016, because it engages in the business of advising clients regarding securities for compensation, and is registered as a state investment advisor in New Hampshire.

2. Field is an investment advisor representative as defined by RSA 421-B:2, IX-a prior to 1/1/2016 and RSA 421-B:1:102(27) after 1/1/2016, because he is employed by MIMI, provides investment advice on securities for compensation, and is registered as a state investment advisor representative in New Hampshire.

3. The MIMI shares are securities as defined by RSA 421-B:2, XX(a) prior to 1/1/2016 and RSA 421-B:1-102(53A) after 1/1/2016.

4. Pursuant to RSA 421-B:10,I (a) and (b)(2) and RSA 421-B:26,III-a, prior to 1/1/2016 and RSA 421-B:4-412(h) and 421-B:6-604(a) after 1/1/2016, MIMI directly or indirectly controls Field, materially aided and facilitated the conduct of Field when he violated RSA 421-B, and may

be disciplined by order of the secretary of state under section 421-B:10,I(a) and (b)(2) and under subsections 4-412(a) and (c) to the same extent as Field. A person may be disciplined under subsections RSA 421-B:10,I(a) and (b) prior to 1/1/2016 and RSA 421-B:4-412(a) and (c) after 1/1/2016 if the person “willfully violated or willfully failed to comply with this chapter or the predecessor act . . . within the previous 10 years.” Consequently, MIMI is liable for Field’s actions for materially aiding and facilitating the conduct of Field and by directly or indirectly controlling Field when he willfully violated sections RSA 421-B:3,II, 421-B:4,V(f), 421-B:4,V(h), 421-B:4,V(k) and 421-B:4,V(P) prior to 1/1/2016 and RSA 5-501(a)(2), RSA 5-502(b)(2)(F), RSA 5-502(b)(2)(H), RSA 5-502(b)(2)(K), and RSA 5-502(b)(2)(P) after 1/1/2016.

5. Pursuant to RSA 421-B:4-411(a)(2), an investment advisor shall maintain at all times a minimum net worth of \$10,000. MIMI owes over \$1 million and allegedly only has assets of \$243,083 as of January 31, 2022, therefore is not in compliance with this requirement.

6. Pursuant to RSA 421-B:3,II prior to 1/1/2016 and RSA 421-B:5-501(a)(2) after 1/1/2016, it is unlawful for any person, in connection with the offer, sale, or purchase of any security, to make any “untrue statement of a material fact or to omit to state a material fact necessary in order to make the statement[s] made, in the light of the circumstances under which they were made, not misleading.” Field represented to the Clients who purchased MIMI shares (*see* Exhibit 2) that he would repurchase their shares, but failed to disclose to the Clients that he was financially unable to purchase the shares unless there was a subsequent agreement for Field to buy back the shares over time with monthly principal and interest payments. Consequently, Field entered into payment agreements which were, in effect, loans with Clients #1, 11, 15, 18, 19 and 20. Field also did not disclose to his clients that did not purchase shares that he made share sales in MIMI stock available, would grant a reduction in AUM fees in exchange for share purchases, and would repurchase the shares at a high interest rate paid to the client. Field also did not disclose that, since the share value was based on total revenues times two divided by the number of shares, the full potential share value would not be realized every time he entered into a share repurchase agreement with a reduced AUM fee. Field and MIMI violated this section.

7. Pursuant to RSA 421-B:4,V(f) prior to 1/1/2016 and RSA 421-B:5-502(b)(2)(F) after

1/1/2016,

[a] person who is an investment adviser or investment adviser representative is a fiduciary and has a duty to act primarily for the benefit of the person's clients. While the extent and nature of this duty varies according to the nature of the relationship between an investment adviser and the clients and the circumstances of each case, an investment adviser or investment adviser representative shall not engage in unethical business practices which constitute violations of subsection (a), including the following:

an investment adviser and an investment adviser representative are prohibited from borrowing money from clients, unless the client is a broker-dealer, affiliate of the investment adviser, or financial institution engaged in the business of loaning funds. Field and MIMI borrowed money from Clients #10, 16, 18, 19 and 22. Field and MIMI also entered into loan agreements when Clients requesting MIMI share repurchase and lending schedules were entered into for Clients #1, 11, 15, 18, 19, and 20. None of these Clients were broker-dealers, affiliates, or financial institutions. Field and MIMI violated this section.

8. Pursuant to RSA 421-B:4,V(h) prior to 1/1/2016 and RSA 421-B:5-502(b)(2)(H) after 1/1/2026,

[a] person who is an investment adviser or investment adviser representative is a fiduciary and has a duty to act primarily for the benefit of the person's clients. While the extent and nature of this duty varies according to the nature of the relationship between an investment adviser and the clients and the circumstances of each case, an investment adviser or investment adviser representative shall not engage in unethical business practices which constitute violations of subsection (a) including the following: (H) misrepresenting to any advisory client, or prospective advisory client, the qualifications of the investment adviser, investment adviser representative, or any employee of the investment adviser, or misrepresenting the nature of the advisory services being offered or fees to be charged for such services, or omitting to state a material fact necessary to make the statement made regarding qualifications, services or fees, in light of the circumstances under which they are made, not misleading.

In MIMI's Form ADV dated 3/28/2023, in the section identified as Participation or Interest in Client Transactions, Proprietary Interest in Client Transactions, on the question that asks whether MIMI buys securities for yourself from advisory clients, or sells securities you own to advisory clients, MIMI selected "no." Sales Interest in Client Transactions, on the question that asks do you or any related person recommend purchase or sale of securities to advisory clients for which you or a related

person has any other sales interest, (other than receipt of sales commissions as a broker or registered representative of a broker-dealer) MIMI also selected “no.” Field and MIMI violated this section by entering “no” when they should have entered a “yes” response.

9. Pursuant to RSA 421-B:4,V(k) prior to 1/1/2016 and RSA 421-B:5-502(b)(2)(K) after 1/1/2016,

[a] person who is an investment adviser or investment adviser representative is a fiduciary and has a duty to act primarily for the benefit of the person’s clients. While the extent and nature of this duty varies according to the nature of the relationship between an investment adviser and the clients and the circumstances of each case, an investment adviser or investment adviser representative shall not engage in unethical business practices which constitute violations of subsection (a) including the following: (K) [f]ailing to disclose to clients in writing before any advice is rendered any material conflict of interest relating to the investment adviser, investment adviser representative, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

Field and MIMI violated this section by failing to disclose to all clients that MIMI shares were available for sale and that clients who purchased shares would receive a reduced AUM fee in an amount determined by Field and in Field’s best interest and would receive a high interest payment on a repurchase of the shares over time determined by Field, in his best interest. Field and MIMI also violated this section for failing to disclose to all clients that when he agreed to an AUM fee reduction, the value of the MIMI shares would not be fully realized because the share value was based on total revenues times two divided by the number of shares outstanding.

10. Pursuant to RSA 421-B:4,V(p) prior 1/1/2016 and RSA 421-B:5-502(b)(2)(P) after 1/1/2016,

[a] person who is an investment adviser or investment adviser representative is a fiduciary and has a duty to act primarily for the benefit of the person’s clients. While the extent and nature of this duty varies according to the nature of the relationship between an investment adviser and the clients and the circumstances of each case, an investment adviser or investment adviser representative shall not engage in unethical business practices which constitute violations of subsection (a) including the following: entering into, extending, or renewing any investment adviser contract unless [each] such contract is in writing and discloses . . . the advisory fee.

Field and MIMI violated this section when they agreed to a reduced AUM fee for Clients #1, 2, 6, 10, 11, 13, 15, and 19, and failed to put the fee reduction in a written, advisory contract.

11. Pursuant to RSA 421-B:23 and RSA 421-B:26,III prior to 1/1/2016 and RSA 421-B:6-604(a)(1), after 1/1/2016, “if the secretary of state determines that a person has engaged, is engaging, or is about to engage, [or is about to materially aid in] an act, practice, or course of business constituting a violation of this chapter,” the secretary of state may “issue an order directing the person to cease and desist from engaging in an act, practice, or course of business or to take other action necessary or appropriate to comply with this chapter.” Field and MIMI are subject to this section and should be required to cease and desist from violating RSA 421-B:3,II, RSA 421-B:4,V(f), RSA 421-B:4,V(h), RSA 421-B:4,V(k) and RSA 421-B:4,V(P) prior to 1/1/2016 and RSA 421-B:5-501(a)(2), RSA 421-B:5-502(b)(2)(F), RSA 421-B:5-502(b)(2)(H), RSA 421-B:5-502(b)(2)(K), and RSA 421-B:5-502(b)(2)(P) after 1/1/2016.

12. Pursuant to RSA 421-B:26,III prior to 1/1/2016 and RSA 421-B:6-604(d) after 1/1/2016,

[i]n a final order, the secretary of state may impose a civil penalty up to a maximum of \$2,500 for a single violation. In addition, every such person who is subject to such civil penalty, upon hearing, and in addition to any penalty provided by law, be subject to such suspension, revocation, or denial of any registration or license, or be barred from registration or licensure.

Field and MIMI are subject to this provision and should be fined up to \$2,500 for each and every violation of sections RSA 421-B:3,II, RSA 421-B:4,V,(f), RSA 421-B:4,V(h), RSA 421-B:4,V(k), and RSA 421-B:4,V(p) prior to 1/1/2016 and 5-501(a)(2), 5-502(b)(2)(F), 5-502(b)(2)(H), 5-502(b)(2)(K), and 5-502(b)(2)(P) after 1/1/2016 and should be barred from any further securities business in New Hampshire.

13. Pursuant to RSA 421-B:4-412(f), “[t]he secretary of state may suspend or deny an application summarily; restrict, condition, limit, or suspend a registration; or censure, bar, or impose a civil penalty on a registrant before final determination of an administrative proceeding.” Field and MIMI are subject to this provision and should be barred from any further securities business in New Hampshire before final determination of an administrative hearing in this matter.



14. Pursuant to RSA 421-B:26,V prior to 1/1/2016 and RSA 421-B:6-604(e) after 1/1/2016, the secretary of state can order Field and MIMI to pay restitution to the Clients for the money owed and outstanding as listed in Exhibit 2.

15. Pursuant to RSA 421-B:22,IV prior to 1/1/2016 and RSA 421-B:6-604(g) after 1/1/2016, in any investigation to determine whether any person has violated any rule or order under this title, the secretary of state shall be entitled to recover the costs of the investigation. Field and MIMI are subject to this provision and should be ordered to pay the Bureau's investigative costs jointly and severally in the amount of \$50,000.

### **RELIEF REQUESTED**

III. The Bureau makes the following requests for relief in the above-referenced matter as permitted under RSA 421-B:

1. Find as fact the statements contained in Section I, the Statement of Facts.
2. Make conclusions of law relative to the statements contained in Section II, the Statements of Law.
3. Pursuant to RSA 421-B:23 and RSA 421-B:26,III-a prior to 1/1/2016 and RSA 421-B:6-604(a)(1) after 1/1/2016, order Field and MIMI to immediately cease and desist from violating sections RSA 421-B:3,II, RSA 421-B:4,V(f), RSA 421-B:4,V(h), RSA 421-B:4:V(k) and RSA 421-B:4,V(p) prior to 1/1/2016 and RSA 421-B:5-501(a)(2), RSA 421-B:5-502(b)(2)(F), RSA 421-B:5-502(b)(2)(H), 5-502(b)(2)(K), and 5-502(b)(2)(P) after 1/1/2016.
4. Pursuant to RSA 421-B:26,III prior to 1/1/2016 and RSA 421-B:6-604(d) after 1/1/2016, revoke Field and MIMI's investment adviser and investment adviser representative registration for willful violation or failure to comply with RSA 421-B and bar Field and MIMI from the securities business in New Hampshire.
5. Pursuant to RSA 421-B:4-412(f), summarily suspend or deny an application, or

restrict, condition, limit, or suspend the registration of MIMI and Field before final determination of the administrative proceeding.

6. Pursuant to RSA 421-B:26,III prior to 1/1/2016 and RSA 421-B:6-604(d) after 1/1/2016, fine Field and MIMI, jointly and severally, \$2,500 for each violation of RSA 421-B determined by the Hearing Examiner.

7. Pursuant to RSA 421-B:26,V prior to 1/1/2016 and RSA 421-B:6-604(e) after 1/1/2016, order Field and MIMI, jointly and severally, to pay restitution approximately totaling over \$850,000.

8. Pursuant to RSA 421-B:22,IV prior to 1/1/2016 and RSA 6-604(g) after 1/1/2016, order Field and MIMI, jointly and severally, to pay the Bureau's costs of investigation in the amount of \$50,000.

**RIGHT TO AMEND**

The Bureau staff reserves the right to amend this Staff Petition for Relief and request the Director of the Bureau take additional administrative action. Nothing herein shall preclude the Staff from bringing additional enforcement action under RSA 421-B or the regulations thereunder.

Respectfully submitted by:

  
\_\_\_\_\_  
Jeff Spill, Deputy Director

10/4/23  
Date

  
\_\_\_\_\_  
Michael Kirwin, Staff Attorney

10/4/23  
Date

**Special Notice to Board of Directors Regarding Disclosure of Loans**  
**Between Peter D Field and Certain Creditors.**

Be it known that from time to time Mr. Field will likely borrow money from various individuals. He may, also, choose to sell some of his stock in the corporation to other individuals under a sale and re-purchase agreement. Any transaction will be communicated to the Board and will be documented with appropriate terms and/or amortization schedules. Stock transfers will be noted and kept up to date on a spreadsheet showing all stockholders and their holdings in the corporation.

Respectfully Submitted,

  
Peter D Field

August 1, 2010

EXHIBIT 2

Client	Stock Purchase Value/ # of Shares	Loan Amount	Date Of Transaction	Status	Amount of Fee Reduction	Written Agreement	Amended IA Contract
Client 1	\$25000/77		8/31/2015	Outstanding	40%	No	No
Client 2	\$15000/42		7/28/2016	Outstanding	50%	Yes	No
Client 3	\$20184/60		5/11/2017	Outstanding	40%	No	Yes
Client 4	\$15000/45		5/2017	Outstanding	40%	Yes	Yes
Client 5	\$15000/40		2/25/2019	Outstanding	25%	Yes	Yes
Client 6	\$15000/40		3/21/2019	Outstanding	15%	Yes	No
Client 7	\$12500/32		2/1/2020	Outstanding	40%	Yes	Yes
Client 8	\$13500/36		6/28/2019	Outstanding	50%	Yes	Yes
Client 9	\$11775/31		2/21/2020	Outstanding	40%	Yes	Yes
Client 10	\$32000/60 Pref.  23 common	\$97000	9/19/2012  8/8/2016  12/18/2018	Outstanding	40%	Yes	No
Client 11	\$25000/73		11/7/2014	Repurch	100%	Yes	No
Client 12	\$55000/157		4/15/2015	Outstanding	0%	No	Yes
Client 13	\$15000/42		8/15/2016	Repurch	50%	Yes	No
Client 14	\$25000/74		10/26/2018	Outstanding	100%	Yes	Yes
Client 15	\$40000/123			Repurch	100%	No	No

Client	Stock Purchase Value/ # of Shares	Loan Amount	Date Of Transaction	Status	Amount of Fee Reduction	Written Agreement	Amended IA Contract
Client 16		\$9000	12/2020	Paid Back	30%	No	Yes
Not a Client 17		\$133000	unknown	Paying Back		Yes	NA
Client 18	\$40000/154	\$40000	2/6/2013 5/24/2013	Paid Back	0%	Yes	NA
Client 19	yes	\$110000- \$120000	unknown	unknown	Yes	No	No
Client 20	\$25000 \$25000		11/6/19 8/31/16	Repurch	100%	Yes	No
Client 21		Yes		Paid Back	unknown	No	unknown
Client 22		\$123000	8/13/2010	Paid Back	unknown	Yes	unknown
Client 23	\$195000/476 Pref		6/1/2014	Outstanding	No	No	NA

Merryfield Investment Management, Inc.  
Balance Sheet  
As of 12/31/22  
Cash Basis of Accounting

**ASSETS**

Cash	\$ 2,468.86
Accounts Receivable	\$ 88,739.30
Note Receivable	\$ 151,875.15

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<b>TOTAL ASSETS</b>	<b>\$ 243,083.31</b>
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**LIABILITIES**

Mascoma Loan	\$ 18,337.23
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<b>TOTAL LIABILITIES</b>	<b>\$ 18,337.23</b>
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<b>TOTAL EQUITY</b>	<b>\$ 224,746.08</b>
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<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 243,083.31</b>
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