

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

IN THE MATTER OF:)
)
JTA SECURITIES MANAGEMENT, INC)
DBA TITAN SECURITIES (CRD #131392))
)
) **INV-2020-0000016**
)
RESPONDENT)
)
)

CONSENT AGREEMENT

I. For purposes of settling the above-referenced matter and in lieu of further administrative proceedings, JTA SECURITIES MANAGEMENT, INC, doing business as Titan Securities (CRD: 131392) (hereinafter referred to as “Titan” or “Respondent”) has submitted an offer of settlement, which the State of New Hampshire, Department of State, Bureau of Securities Regulation (hereinafter referred to as the “Bureau”) has determined to accept. Accordingly, and without admitting or denying the allegations herein, Respondent does hereby consent to the following undertakings and sanctions:

STATEMENT OF FACTS

1. Titan is a registered broker-dealer in the State of Texas, and is not licensed as a broker-dealer in New Hampshire
2. Titan employed a broker-dealer agent (hereafter referred to as “the agent”) with an extensive history of reportable disclosures. The agent was not licensed by the Bureau to sell securities in New Hampshire.
3. On March 23, 2020, the agent, on an unsolicited basis, called a New Hampshire resident who was on the Federal Trade Commission’s Do-Not-Call list and did not

otherwise request a call. The purpose of the call was to offer the New Hampshire resident an investment.

4. After the call, the agent sent the New Hampshire resident an email detailing the alleged investment (an allegedly federally covered, Regulation D, private-placement investment fund). The email contained guarantees against loss and characterized the investment as being “impossible” to lose money on. The New Hampshire resident responded to the email indicating that he had already told the agent on the phone he was not interested and to cease contact. Despite this, the agent again called the New Hampshire resident on June 16, 2020 and offered the same investment and sent the same email. Subsequently, the New Hampshire resident formally complained to the Bureau.
5. After receiving the complaint, the Bureau commenced an investigation into the agent and Titan. As part of the Bureau’s investigation, the Bureau obtained all cell phone records associated with the agent and discovered numerous other calls to New Hampshire residents. The Bureau also obtained the agent’s email records and discovered that he had sent out the email guaranteeing against losses and promising investment returns to a number of other individuals.
6. The Bureau also discovered that Titan did not permit “cold calling” to prospective investors at the time the agent made the calls to New Hampshire residents, and had procedures in place should they decide to permit cold-calling. The firm also had an email monitoring system designed to detect problematic communications from their agents. While the system did not immediately detect the agent’s concerning emails, a principal of Titan did discover the emails, informed the agent that they were inappropriate, and requested he stopped sending them. The Bureau views this as a mitigating factor.

STATEMENTS OF LAW

1. Titan is a “person” within the meaning of N.H. RSA 421-B:1-102(39) and a “broker-dealer” within the meaning of N.H. RSA 421-B:1-102(6).
2. Pursuant to N.H. RSA 421-B:4-401, it is unlawful to transact business in New Hampshire as a broker-dealer unless the broker-dealer is registered with the Bureau. Titan is subject to this provision.
3. Pursuant to N.H. RSA 421-B:5-501(a)(1), “it is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly, to: (1) employ a

device, scheme, or artifice to defraud.” Pursuant to N.H. RSA 421-B:5-501(b)(2)(A), it shall constitute a device, scheme or artifice to defraud within the meaning of N.H. RSA 421-B:5-501 to “represent in the offer or sale of securities, either directly or by implication, in writing or orally, that there is a guarantee against risk or loss.” The agent’s emails directly guaranteed against both risk and loss and are accordingly in violation of this provision.

4. Pursuant to N.H. RSA 421-B:4-406(k), persons licensed under N.H. RSA 421-B to conduct securities business shall abide by the rules of the Securities and Exchange Commission and other self-regulating organizations (e.g., FINRA) which have jurisdiction over the licensee, which set forth standards of conduct in the securities industry. FINRA Rule 3230 (“Telemarketing”) prohibits calling persons on the national FTC do-not-call list who are not otherwise exempt. Titan is subject to this provision.
5. Pursuant to N.H. RSA 421-B:4-412(d)(9), a broker-dealer must supervise its agents and can face penalties for failing to do so. Titan is subject to this provision.
6. Pursuant to N.H. RSA 421-B:4-412(h) “A person that controls, directly or indirectly, a person not in compliance with this section may be disciplined by order of the secretary of state under subsections (a) through (c) to the same extent as the noncomplying person, unless the controlling person did not know, and in the exercise of reasonable care could not have known, of the existence of conduct that is a ground for discipline under this section.” Titan is subject to this provision.
7. Pursuant to N.H. RSA 421-B:6-604(d), any person who, either knowingly or negligently, violates any provisions of this chapter may, upon hearing, and in addition to any other penalty provided for by law, be subject to such suspension, revocation or denial of any registration or license, or an administrative fine not to exceed \$2,500, or both. *Each* occurrence of the acts specified shall constitute a separate violation. Titan is subject to this provision and is subject to a fine as to each violation of the Act.
8. Pursuant to N.H. RSA 421-B:6-604(g), 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. Titan is subject to this provision.

II. In view of the foregoing, Titan agrees to the following:

1. Titan agrees that it has voluntarily consented to the entry of this Consent Agreement and represents and avers that no employee or representative of the Bureau has made any promise, representation, or threat to induce their signing of this Consent Agreement.

2. Titan agrees to waive its right to an administrative hearing and any appeal thereof under this chapter.
3. This Consent Agreement is entered into for purposes of resolving the matter as described herein. This Consent Agreement shall have no collateral estoppel effect in any other lawsuit, proceeding, or action, not described herein. Likewise, this Consent Agreement shall not be construed to restrict the Bureau's right to initiate an administrative investigation or proceeding relative to conduct by Titan of which the Bureau has no knowledge at the time of the date of final entry of this Consent Agreement.
4. Titan agrees not to take any action or make any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation in this Consent Agreement or create the impression that the Consent Agreement is without factual basis. Nothing in this provision affects Titan's right to take contrary legal or factual positions in litigation or other legal or regulatory proceedings in which the Bureau is not a party.
5. Titan agrees, pursuant to this Consent Agreement, to pay to the Bureau an administrative fine of Twelve Thousand Five Hundred Dollars (\$12,500.00), plus costs of Twelve Thousand Five Hundred Dollars (\$12,500.00), for a total of Twenty-Five Thousand Dollars (\$25,000.00). Payment shall be made within 10 business days of the execution of the Consent Agreement to the State of New Hampshire. Payment must be made by 1) business check or certified check; 2) made payable to the State of New Hampshire; and 3) mailed to the Bureau of Securities Regulation, Department of State, State House, Room 204, Concord, New Hampshire, 03301.

III. In view of the foregoing, the Bureau deems it appropriate and in the public interest to accept and enter into this Consent Agreement. THEREFORE IT IS HEREBY AGREED THAT:

1. Pursuant to N.H. RSA 421-B:6-604(d), an administrative fine in the amount of Twelve Thousand Five Hundred Dollars (\$12,500.00) is assessed against Titan to be paid as indicated above;
2. Pursuant to N.H. RSA 421-B:6-604(g) costs of this investigation in the amount of Twelve Thousand Five Hundred Dollars (\$12,500.00) is assessed against Titan to be paid as indicated above;

3. In lieu of facing enforcement action pursuant to N.H. RSA 421-B:6-604(c), Titan agrees to not apply for registration in New Hampshire for a period of five (5) years from the date of execution of this Consent Agreement.

SO AGREED.

Executed this ____ day of _____, 2022

JTA SECURITIES MANAGEMENT, INC (DBA Titan Securities), Duly Authorized
Please print name and title below:

Executed this ____ day of _____, 2022

Eric Forcier, Deputy Secretary