

**STATE OF VERMONT
DEPARTMENT OF FINANCIAL REGULATION**

IN RE:)	
THOMAS M. CHADWICK (CRD # 2870028),)	
CHADWICK & D'AMATO, LLC)	
(CRD # 116197), AND CHADWICK)	DOCKET NO. 22-011-S
CONSULTING, LLC (CRD # 318079))	
)	

STIPULATION AND INTERIM CONSENT ORDER

WHEREAS, the Vermont Department of Financial Regulation (the "Department") asserts that Thomas M. Chadwick, Chadwick & D'Amato, LLC, and Chadwick Consulting, LLC (collectively, "Respondents") have violated the securities laws as set forth in the Department's Ex Parte Order to Cease and Desist entered on May 3, 2022 (the "Ex Parte Order"); and

WHEREAS, Respondents, without admitting or denying the following facts or allegations, have submitted an offer to enter into this Stipulation and Interim Consent Order in an effort to cooperate with the Department in its investigation;

NOW, THEREFORE, Respondents and the Department stipulate and agree to the terms and conditions in this Stipulation and Interim Consent Order.

I. STATEMENT OF FACTS

1. Thomas M. Chadwick ("Chadwick") is a resident of New London, New Hampshire, who was registered as an investment advisor representative in the State of Vermont until December 23, 2021, at which time his registration was terminated because the company through which he operated, Chadwick & D'Amato, LLC, was dissolved due to the retirement of one of its principals; he has not been registered since that date in Vermont or any other state. Chadwick's CRD number is: 2870028.

2. Since at least December 31, 2021, Chadwick has not held an investment advisor registration, a broker-dealer registration, or a registration in any other capacity with the Department which would allow him to lawfully conduct business concerning securities. Additionally, since at least December 31, 2021, Chadwick has not been affiliated with a broker-dealer as a registered agent or with an investment adviser firm as an investment adviser representative.

3. Chadwick's Vermont registration was held with Chadwick & D'Amato, LLC ("Chadwick & D'Amato"). Chadwick & D'Amato's CRD number is: 116197. Chadwick was a principal of Chadwick & D'Amato until it filed a certificate of cancellation with the New Hampshire Secretary of State on March 30, 2022. Chadwick & D'Amato's principal place of business was located at 195 Main Street, New London, NH 03257.

4. Chadwick & D'Amato's New Hampshire registration was withdrawn on December 31, 2021. Chadwick & D'Amato's Vermont registration was voluntarily terminated on December 31, 2021.

5. In November 2021, Chadwick formed Chadwick Consulting, LLC ("Chadwick Consulting"), a new investment adviser firm with a principal place of business located at 195 Main Street, New London, NH 03257. Chadwick Consulting's CRD number is: 318079. Chadwick is a principal of Chadwick Consulting.

6. In December 2021, Chadwick Consulting submitted an application to register as an investment adviser with the Department; Chadwick Consulting subsequently withdrew that application in February 2022.

7. Chadwick Consulting is not currently registered as an investment adviser in Vermont or any other state.

8. While registered as an investment adviser in Vermont, Chadwick conducted his fee-based investment advisory business through Fidelity Brokerage Services, LLC (“Fidelity”).

9. As of December 31, 2021, Fidelity terminated its relationship with Chadwick and Chadwick & D’Amato and removed them from Fidelity’s custody platform. At that point, Respondents no longer had lawful access to their clients’ retail customer accounts held at Fidelity (the “Fidelity Accounts”). Fidelity sent a letter to Chadwick & D’Amato’s former clients explaining the termination of the relationship, indicating that Fidelity was “no longer accepting any instructions from Chadwick & D’Amato, LLC”, and that, while the former clients had access to their accounts via the Fidelity platform, “Chadwick & D’Amato, LLC [was] no longer actively managing [their] account(s).”.

10. The Department represents that it has evidence indicating that Chadwick recently had contact with several former clients after his registration terminated in December of 2021, and has been meeting with former clients, discussing their accounts, and has provided investment advice to them.

11. The Department is concerned that Respondents are currently acting as investment advisors.

12. The Department represents that it has evidence that Chadwick obtained and utilized his former clients’ private login credentials to access the Fidelity Accounts and broker trades on an unregistered basis. The Department further represents that it has evidence that Chadwick’s actions caused at least twenty-seven (27) clients to be locked out of their Fidelity Accounts, resulting in financial hardship.

13. The Department remains concerned that Chadwick may be continuing to attempt to access the Fidelity Accounts of Vermont residents and execute trades in those accounts.

II. UNDERTAKINGS

14. This Stipulation and Interim Consent Order constitutes an Order of the Department for the sole purpose of addressing the Department's interim and immediate concerns and does not fully resolve the Department's pending investigation of Respondents, who are entering this Stipulation and Interim Consent Order for the purpose of promptly and expeditiously remedying the immediate concerns of the Department regarding its ongoing investigation.

15. Respondents acknowledge that this Stipulation and Interim Consent Order does not waive, in any respect, the Department's jurisdiction, authority, or right to bring further proceedings under 9 V.S.A. Chapter 150, the Vermont Uniform Securities Act, which spans 9 V.S.A. § 5101 to § 5616, as it deems necessary or to seek further penalties against Respondents.

16. Respondents' agreement to enter into this Stipulation and Interim Consent Order does not represent a concession by Respondents of any facts, conclusions of law, either under federal or state law, not explicitly waived. Nor does it represent a waiver of Respondents' rights to a hearing as to the ultimate determination of the issues in the above-captioned matter.

17. Respondents agree to cease and desist from contacting and communicating with any former clients or potential future clients, directly or indirectly, with respect to the provision of any investment advice for compensation or in anticipation of compensation for the provision of that advice.

18. Respondents agree to cease and desist from accessing or attempting to access any financial accounts of any other person, including but not limited to brokerage accounts, bank accounts, retirement accounts, and cryptocurrency accounts.

19. Respondents agree to cease and desist from effecting securities or cryptocurrency transactions in the accounts of others.

20. Respondents agree that this Stipulation and Interim Consent Order constitutes a cease-and-desist order under 9 V.S.A. § 5604(a)(1).

21. Respondents agree to waive their right to a hearing pursuant to 9 V.S.A. Section 5604(b) and Department of Financial Regulation No. 2022-01 with respect to the Stipulation and Interim Consent Order.

22. Respondents acknowledge that the Stipulation and Interim Consent Order will remain in place until further order by the Department or until such a time that there is a final determination of the merits of the above-captioned matter.

23. With respect to the Ex Parte Order, Respondents and the Department agree to toll Respondents' right to a hearing pursuant to 9 V.S.A. Section 5604(b) and Department of Financial Regulation No. 2022-01 until further order by the Department or upon a request by Respondents for a hearing to reach a final determination of the merits of the above-captioned matter.

INTERIM CONSENT ORDER

1. Pursuant to 9 V.S.A. § 5604(a)(1), the Commissioner may issue orders or directives to any person to cease and desist from specific conduct if the Commissioner finds that the person has engaged, is engaging, or is about to engage in an act, practice, or course of business which constitutes a violation of 9 V.S.A. Chapter 150, the Vermont Uniform Securities Act, which spans 9 V.S.A. § 5101 to § 5616.

2. Respondents shall cease and desist from contacting and communicating with any former clients or potential future clients, directly or indirectly, with respect to the provision of

any investment advice for compensation or in anticipation of compensation for the provision of that advice.

3. Respondents shall cease and desist from accessing or attempting to access any financial accounts of any other person, including but not limited to brokerage accounts, bank accounts, retirement accounts, and cryptocurrency accounts.

4. Respondents shall cease and desist from effecting securities or cryptocurrency transactions in the accounts of others.

5. Respondents shall comply with all Undertakings agreed to above.

6. Respondents acknowledge and admit the jurisdiction of the Commissioner over the subject matter of this Stipulation and Interim Consent Order.

7. Respondents acknowledge that this Stipulation and Interim Consent Order constitutes a valid order duly rendered by the Commissioner and agree to be fully bound by it.

8. Respondents waive their right to a hearing pursuant to 9 V.S.A. Section 5604(b) and Department of Financial Regulation No. 2022-01 with respect to this Stipulation and Interim Consent Order, but reserve all rights to a hearing on the final determination on the merits of the above-captioned matter.

9. With respect to the Ex Parte Order, Respondents and the Department agree to toll Respondents' right to a hearing pursuant to 9 V.S.A. Section 5604(b) and Department of Financial Regulation No. 2022-01 until further order by the Department or upon a request by Respondents for a hearing to reach a final determination of the merits of the above-captioned matter.

10. Respondents understand all terms and conditions in this Stipulation and Interim Consent Order, consent to the entry of this Stipulation and Interim Consent Order, and

acknowledge that their consent is given freely and voluntarily and that, except as set forth herein, no promise was made to induce Respondents' consent.

11. Noncompliance with any of the terms and conditions in this Stipulation and Interim Consent Order shall be a violation of a lawful order of the Commissioner and a violation of the laws of the State of Vermont and may result in additional administrative action and the imposition of injunctive relief, sanctions, and additional penalties pursuant to applicable provisions the Vermont Uniform Securities Act.

12. Nothing herein shall be construed as limiting the Commissioner's ability to investigate Respondents or to respond to and address any consumer complaints made with regard to Respondents.

13. Nothing herein shall be construed as having relieved, modified, or in any manner affected Respondents' ongoing obligations to comply with all federal, state, or local statutes, rules, and regulations applicable to Respondents.

14. Nothing herein shall be construed as limiting any private right of action a person may have.

15. This Stipulation and Consent Order shall be governed by and construed under the laws of the State of Vermont.

SIGNATURES

The terms and conditions set forth in this Stipulation and Consent Order are hereby stipulated and agreed to.

THOMAS M. CHADWICK

By: _____

Date: June 16, 2022

The terms and conditions set forth in this Stipulation and Consent Order are hereby stipulated and agreed to. I certify under the pains and penalties of perjury that I have taken all necessary steps to obtain the authority to bind Chadwick & D'Amato, LLC to this Stipulation and Consent Order and that I have been duly authorized to enter into this Stipulation and Consent Order on behalf of Chadwick & D'Amato, LLC.

CHADWICK & D'AMATO, LLC

By: _____
Thomas M. Chadwick
Principal

Date: June 16, 2022

The terms and conditions set forth in this Stipulation and Consent Order are hereby stipulated and agreed to. I certify under the pains and penalties of perjury that I have taken all necessary steps to obtain the authority to bind Chadwick Consulting, LLC to this Stipulation and Consent Order and that I have been duly authorized to enter into this Stipulation and Consent Order on behalf of Chadwick Consulting, LLC.

CHADWICK CONSULTING, LLC

By: _____
Thomas M. Chadwick
Principal

Date: June 16, 2022

The terms and conditions set forth in this Stipulation and Consent Order are hereby stipulated, agreed to, and ordered.

DEPARTMENT OF FINANCIAL REGULATION

By:  _____
Kevin J. Gaffney
Interim Commissioner
Vermont Department of Financial Regulation

Date: June 17th, 2022