

**STATE OF VERMONT
DEPARTMENT OF FINANCIAL REGULATION**

IN RE: WILLIAM J. THERIEAU &)
THERIEAU FINANCIAL SERVICES LLC) DOCKET NO. 20-029-S
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)

EX PARTE ORDER TO CEASE AND DESIST

Based on the motion of the Securities Division of the Vermont Department of Financial Regulation seeking an order requiring William J. Therieau and Therieau Financial Services LLC (“Respondents”) to immediately cease and desist certain activities related to the offer and provision of investment advice and services in Vermont and to retain and produce records concerning such activities, the following findings of fact, conclusions of law, and order are entered.

I. FACTS OF FACT

1. On September 23, 2020, a representative of the Securities Division spoke with a resident of Vermont (“Complainant”) who sought the Securities Division’s assistance with the return of money from William J. Therieau, an individual with whom she had entered into an agreement for financial and investment services. *See Affidavit of William R. Carrigan* ¶¶ 7, 11, and 12.

2. Complainant indicated to the Securities Division that she provided William J. Therieau with a total of \$21,000.00 in the form of six individual checks to be used toward the purchase of specific securities, including stock in Apple, Disney, and Tesla, that William J. Therieau had recommended to her based on what Complainant had told him she was looking to accomplish with the funds. *See id.* ¶¶ 9, 10, 15, and 16.

3. Complainant told the Securities Division that she suspected her funds had not been used to purchase securities as she had not received statements, confirmations, or communications pertaining to such transactions. *See id.* ¶¶ 17 and 18.

4. Complainant provided the Securities Division with a document titled “Consulting Agreement” dated March 16, 2020, which identifies the “Client” as the Complainant with a post office box in Brattleboro and the “Consultant” as William Therieau of 155 Maple Street. *See id.* ¶ 11 and Exhibit 1.

5. The Consulting Agreement states that William Therieau is being engaged to provide “Financial Services” and “Investment Delegation.” *See id.* Exhibit 1.

6. The Consulting Agreement refers to a “Payment of Investment” of \$ 9,500. *See id.* Exhibit 1.

7. The Consulting Agreement requires Complainant to compensate William Therieau \$250.00 on an annual basis, to pay a retainer of \$250.00 upon execution of the agreement, and to make all checks and payments payable to “William Therieau or (Will Therieau) D.B.A. Therieau Financial Services LLC.” *See id.* Exhibit 1.

8. The Consulting Agreement identifies William Therieau as having “AFIC LIC # 147-98778-001” in conjunction with a provision that states, “The Client is of the opinion that the Consultant has the necessary qualifications . . . to provide consulting services.” *See id.* Exhibit 1.

9. Therieau Financial Services LLC does not appear in the Vermont Secretary of State’s business search as holding a business or trade name registration. *See id.* ¶ 25.

10. Therieau Financial Services LLC has no online presence.

11. William J. Therieau does not hold an investment advisor registration, a broker-dealer registration, or a registration in any other capacity with the Vermont Department of Financial Regulation that would allow them to conduct business concerning securities. See *id.* ¶ 23.

12. William J. Therieau is not affiliated with a broker-dealer as a registered agent or with an investment advisor firm as an investment advisor representative. See *id.* ¶¶ 23 and 24.

13. Neither William J. Therieau nor Therieau Financial Services LLC appear in the Financial Industry Regulatory Authority’s comprehensive national database as a registered investment advisor or broker-dealer at the federal level or in any state. See *id.* ¶ 25.

14. The “AFIC LIC” number in the agreement between William J. Therieau and Complainant is not a reference to a document that confers qualification or authority to the holder to provide investment advice or services. See *id.* ¶ 14.

II. CONCLUSIONS OF LAW

15. Pursuant to 9 V.S.A. § 5403 and § 5404, it is unlawful for a person to advise others, for compensation, on the value of securities or the advisability of investing in or purchasing securities without an investment advisor registration, or an investment adviser representative registration, with the Securities Division unless they fall within statutory exemptions.

16. Pursuant to 9 V.S.A. § 5401 and § 5402, it is unlawful for a person to offer, purchase, or sell securities on behalf of others without a broker-dealer registration, or

registration as an agent with a broker-dealer, with the Securities Division, unless they fall within statutory exemptions.

17. Respondents do not qualify for any of the statutory exemptions to the registration required by 9 V.S.A. §§ 5401-04.

18. By providing investment advice to Complainant, for compensation, including advice as to the selection of specific securities, and by agreeing to purchase securities on behalf of Complainant, without the required registration with the Securities Division, Respondents violated 9 V.S.A. § 5401, § 5402, § 5403, and § 5404.

19. Pursuant to 9 V.S.A. § 5501(1), it is unlawful for a person to employ a device, scheme, or artifice to defraud another person in connection with the offer to purchase a security.

20. Pursuant to 9 V.S.A. § 5502(a)(1), it is unlawful for a person to employ a device, scheme, or artifice to defraud another person in connection with advice, for compensation, on the value of securities or advisability of investing in or purchasing securities.

21. By holding himself out to Complainant as an individual qualified to provide investment advice, for compensation, and to offer and purchase securities on behalf of Complainant, and by using a consulting agreement, in part, to do so, William J. Therieau used a business scheme and contract device to defraud Complainant, in violation of 9 V.S.A. § 5501(1) and § 5502(a)(1).

22. Pursuant to 9 V.S.A. § 5501(2), it is unlawful for a person to make an untrue statement or omit information necessary to prevent a statement from being misleading in connection with the offer to purchase a security.

23. Pursuant to 9 V.S.A. § 5502(a)(2), it is unlawful for a person to make an untrue statement or omit information necessary to prevent a statement from being misleading in connection with advice, for compensation, on the value of securities or advisability of investing in or purchasing securities.

24. By including a reference to an “AFIC LIC” in the consulting agreement he created with Complainant in association with a statement about qualifications for performing investment advice and services, by not indicating that he was not registered in any capacity with the Securities Division to perform such services, by representing in the consulting agreement that he was doing business as an entity with “Financial Services” in the title that appears to be fictitious, and by the other actions and omissions described herein, William J. Therieau made untrue and misleading statements aimed at defrauding Complainant, in violation of 9 V.S.A. § 5501(2) and § 5502(a)(2).

25. Pursuant to 9 V.S.A. § 5501(3), it is unlawful for a person to engage in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person in connection with the offer to purchase a security.

26. By accepting funds from Complainant for the purpose of purchasing securities on her behalf and failing to make such purchases, William J. Therieau engaged in a fraudulent act, practice, and course of business, in violation 9 V.S.A. § 5501(3).

27. Respondents’ actions violating the Vermont Uniform Securities Act, as identified herein, pose an immediate threat to the financial health and welfare of Complainant and other Vermont residents who may have engaged, or may consider engaging, in similar transactions with Respondents.

28. The uncertainty of the status of funds provided to Respondent for the performance of certain investment advice and services in Vermont also warrants immediate action to increase the possibility of recovering the funds and to prevent their further misuse or conversion.

III. ORDER

29. Pursuant to 9 V.S.A. § 5604 and based on the findings of facts and conclusions of law set forth above, William J. Therieau and Therieau Financial Services LLC are hereby ordered to (1) cease and desist offering and providing investment advice and services to others in Vermont; (2) cease and desist offering, purchasing, and selling securities on behalf of others in Vermont; and (3) cease and desist from taking action to withdraw, transfer, spend, or in any manner convert to their use funds provided by Vermont residents for investment advice or services or for the purchase or sale of securities.

30. Pursuant to 8 V.S.A. § 13 and § 5602(b), and based on the findings of facts and conclusions of law set forth above, William J. Therieau and Therieau Financial Services LLC are further ordered not to withhold, destroy, mutilate, or by any other means alter or modify, any documentary material in their possession that is relevant to this matter or that involves or relates in any way to any other agreements of any kind entered into by William J. Therieau or a pseudonym or d/b/a—including Therieau Financial Services LLC—for the provision of investment advice or services or the purchase or sale of securities. William J. Therieau and Therieau Financial Services LLC are ordered to produce the documents described herein within 10 calendar days of service of this order on Respondents. The production of documents can be accomplished by e-mailing the documents to diane.sherman@vermont.gov or mailing them to the following address:

Attn: Diane Sherman
Department of Financial Regulation
89 Main Street
Montpelier, VT 05620-3101

Dated at Montpelier, Vermont this 8th day of October 2020.

By: 
Michael S. Pieciak
Commissioner of Financial Regulation
Vermont Department of Financial Regulation