



under the Vermont Administrative Procedure Act, Title 3, Chapter 25 of the Vermont Statutes Annotated; the rules, regulations, and orders of the Commissioner; any right to trial by jury; and any right it may have to judicial review by any court with respect to this Consent Order.

NOW THEREFORE, the parties so stipulate and agree to the terms and conditions in this Stipulation and Consent Order as follows:

**FINDINGS OF FACT**

1. Respondent Third Eye Associates, Ltd. (CRD # 149627) is a company domiciled in the State of New York with its primary place of business at 38 Spring Lake Road, Red Hook, NY.
2. In 2009, Respondent registered as an investment adviser in New York.
3. On April 3, 2023, Respondent hired Lori Lustberg (CRD # 1778220). Ms. Lustberg served as a Lead Advisor/Financial Planner. As a Lead Advisor, Ms. Lustberg focused her time on revenue producing activities to grow Respondent's assets under advisement and financial planning revenue. Her duties included conducting financial planning meetings with clients, performing periodic portfolio reviews and collecting updates from clients. Ms. Lustberg conducted client meetings via Zoom. She was responsible for 44 clients.
4. From April 3, 2023, through June 30, 2024, Ms. Lustberg resided in South Burlington, Vermont. She conducted the majority of her work for Respondent from her South Burlington residence.
5. From April 28, 2023, through July 8, 2024, Ms. Lustberg was registered in the State of New York as an investment adviser representative for Respondent.
6. At no point during Ms. Lustberg's employment with Respondent was she

registered as an investment adviser representative in the State of Vermont.

7. Ms. Lustberg's employment with Respondent terminated on June 30, 2024.

8. In March 2024, Respondent filed an application to register as an investment adviser in Vermont.

9. Respondent withdrew its registration application in August 2024, while the application was still pending.

10. Respondent is not and has never been registered to transact business as an investment adviser in the State of Vermont.

#### **CONCLUSIONS OF LAW**

1. Section 5102(16) of the Securities Act defines an investment adviser representative as "an individual employed by or associated with an investment adviser . . . who makes any recommendations or otherwise gives investment advice regarding securities, manages accounts or portfolios of clients, determines which recommendation or advice regarding securities should be given, receives compensation to solicit, offer or negotiate for the sale of or the selling of investment advice, or supervises employees who perform any of the foregoing."

2. Pursuant to 9 V.S.A. §5404(a), the Securities Act prohibits a person from transacting business in the State of Vermont as an investment adviser representative unless the person is registered or exempt from registration.

3. Between April 3, 2023, and June 30, 2024, Ms. Lustberg transacted business in the State of Vermont as an investment adviser representative for Respondent. During that time period, Ms. Lustberg was not registered as an investment adviser representative nor qualified for an exemption from registration.

4. Pursuant to 9 V.S.A. § 5403(a), a person is prohibited from transacting

business in Vermont as an investment adviser unless the person is registered or exempt from registration.

5. Between April 3, 2023, and June 30, 2024, through Respondent's employee, Ms. Lustberg, Respondent transacted business in the State of Vermont as an investment adviser. During that time period, Respondent was not registered as an investment adviser nor qualified for an exemption from registration.

6. Respondent, by operating as an investment adviser firm in Vermont without proper registration, violated 9 V.S.A. § 5403(a).

7. Pursuant to 9 V.S.A. § 5604, after determining that a person has engaged in an act that constitutes a violation of the Securities Act, the Commissioner may, among other things, issue a final order directing the person to cease and desist from engaging in the act and pay a civil penalty.

8. Pursuant to 9 V.S.A. § 5604, the Commissioner issues the following Consent Order.

**CONSENT ORDER**

1. Respondent acknowledges and agrees that the Consent Order is entered into freely and voluntarily and that no promise was made, nor was any coercion used, to induce the Respondent to enter into the Consent Order.

2. Respondent shall comply with the Vermont Uniform Securities Act.

3. Respondent shall pay an administrative penalty in the amount of \$4,500.00 to the Department within 10 days of the execution of this Stipulation and Consent Order.

4. If Respondent fails or neglects to comply with any of the terms, conditions or undertakings set forth in this Stipulation and Consent Order, the Department may, upon written

notice to Respondent, institute any legal or administrative proceedings it deems appropriate to enforce same and to seek such other appropriate sanctions, and Respondent shall consent to the entry of judgment for any unpaid balance.

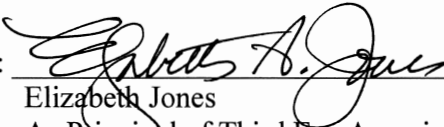
5. Upon receipt by the Department of the full \$4,500.00 amount paid by Respondent in accordance with the terms of this Consent Order, this Stipulation and Consent Order will be deemed to have documented the resolution of this matter and will not be a basis for action against Respondent by the Department arising out of these same events in regards to the business of securities except in determining any action or penalty that may be imposed by the Department for any future violations of law by Respondent.

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

7. Nothing herein precludes the Department from taking enforcement action against Respondent for future violations of the Securities Act.

**SIGNATURES**

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 Respondent to this Stipulation and Consent Order and that I have been duly authorized to enter into this Stipulation and Consent Order on behalf of Respondent.

BY:   
Elizabeth Jones  
As Principal of Third Eye Associates, Ltd.

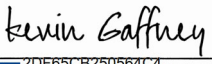
Date: December 20, 2024

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The terms and conditions set forth in this Stipulation and Consent Order are hereby stipulated, agreed to, and ordered. This ORDER shall become effective immediately upon the date set forth below.

**BY ORDER OF THE COMMISSIONER**

23<sup>rd</sup> day of December, 2024

DocuSigned by:  
  
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KEVIN GAFFNEY, Commissioner  
Vermont Department of Financial Regulation