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**Susan L. Donegan, Commissioner**

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## **Raymond James settles administrative enforcement matter with DFR Firm pays penalty, disgorges investor money for EB-5 involvement**

MONTPELIER – Commissioner Susan L. Donegan announced today that the Department of Financial Regulation (DFR) has reached a \$5.95 million settlement with the securities broker-dealer firm Raymond James and Associates Inc.

As the result of its investigation of securities concerns in connection with the sale of interests in Vermont limited partnerships tied to Jay Peak-related EB-5 projects, DFR found multiple instances of non-compliance with supervisory requirements and Vermont law.

In April, DFR identified violations of Vermont securities laws by the Jay Peak principals and projects, which resulted in the filing of a civil lawsuit in Washington Superior Court alleging fraud. DFR’s jurisdiction over Raymond James and its registered representatives is based on the licenses they hold to conduct the business of securities in Vermont.

Donegan said she is pleased to see this settlement because it recovers some of the EB-5 investors’ money.

“DFR’s responsibility is to ensure that Vermont’s securities laws are followed, and that investors are protected, she said, “Since the SEC’s seizure of the Jay Peak-related EB-5 projects, investors have been rightly concerned about possible recovery of funds. This settlement contributes to their restitution.”

She explained that this activity originated from a Miami branch office of Raymond James and emphasized that none of the company’s Vermont offices or any Vermont individual salesperson or advisor participated in any improper activity in connection with this enforcement matter.



This agreement provides for the payment of \$4.5 million to the appointed federal receiver in the case *SEC v. Quiros* for the purpose of reimbursing possible claims by investors. Additionally, \$200,000 will be paid to DFR for the cost of the investigation and \$1.25 million will be paid to Vermont's general fund as an administrative penalty.

A copy of the agreement is available on the DFR website:

<http://www.dfr.vermont.gov/sites/default/files/RJA%20signed%20consent%20order.pdf>