

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF BANKING AND SECURITIES

In the matter of:)
)
) ORDER NO: 15-304-S
137 Holdings VII, LLC) ORDER IMPOSING A CIVIL PENALTY
) AND CONSENT TO ORDER
)
)
)
)
)
) Respondent.)
_____)

The Director of the Department of Commerce, Community, and Economic Development, Division of Banking and Securities (“Administrator”), has conducted an investigation into certain business activities of 137 Holdings VII, LLC (“Respondent”), and has determined that Respondent violated certain provisions of the Alaska Securities Act, Alaska Statute (AS) 45.55, by offering and selling securities in Alaska without the securities first being registered with the Administrator, federally covered in compliance with Alaska law, or exempt from registration.

Respondent agrees that the Administrator has jurisdiction over Respondent and these matters pursuant to the Alaska Securities Act.

Respondent wishes to resolve and settle this matter with the Administrator. As evidenced by the authorized signature on this Order, Respondent consents to the entry of this Order imposing a civil penalty based on the Conclusions of Law and Order. Respondent waives its right to hearing under AS 45.55.920(d).

I. FACTS

1. Under AS 45.55.075 and 3 AAC 08.506, issuers of federal covered securities under 15 U.S.C. 77r(b)(4)(D) (Securities Act of 1933), that make sales of such securities in Alaska

1 must make a notice filing with the Administrator comprised of the SEC form D, consent to
2 service of process signed by the issuer, and a filing fee of \$600 for one year or \$1100 for two
3 years. The notice filing must be filed with the Administrator no later than 15 days from the
4 first sale of the federal covered security in Alaska.

5 2. On February 12, 2015, Respondent filed the SEC form D with the Administrator
6 along with \$600 in filing fees. On the SEC form D, Respondent indicated that it was issuing
7 pooled investment fund interests as part of the offering.

8 3. On February 20, 2015, the Administrator emailed Respondent to confirm the date of
9 first sale in Alaska. Respondent notified the Administrator that the date of first sale in
10 Alaska was August 8, 2014.

11 4. Between August 8, 2014 and February 12, 2015, Respondent made two sales totaling
12 \$60,000 to Alaska residents. Both sales took place on August 8, 2014.

13 5. On February 25, 2015, Respondent disclosed to the Administrator that the SEC
14 form D was filed late because it was originally filed in Arkansas instead of Alaska. After
15 realizing that it had made a mistake, the Respondent properly filed the SEC form D with the
16 Administrator.

17 II. CONCLUSIONS OF LAW

18 1. The securities offered and sold by Respondent were federal covered securities under
19 15 U.S.C. 77r(b)(4)(D) (Securities Act of 1933) and subject to the filing requirements of AS
20 45.55.075.

21 2. Respondent violated AS 45.55.075 by selling federal covered securities in the state of
22 Alaska without notice filing a SEC form D within 15 days of the first sale.

23 3. Respondent is subject to a civil penalty under AS 45.55.920(c) for violating AS
24 45.55.075.

1 **III. ORDER**

2 Pursuant to AS 45.55.920, and on the basis of the Findings of Fact, Conclusions of
3 Law and Respondent's consent to the entry of this Order, Respondent agrees to:

- 4 1. Pay civil penalty in the amount of \$500.
5 2. Comply with all provisions of the Alaska Securities Act, including associated
6 regulations.

7 Chris Hladick, Commissioner
8 Department of Commerce, Community
9 and Economic Development

10 4/6/15
11 Date

/s/ Kevin Anselm
12 Kevin Anselm, Director
13 Division of Banking and Securities

14
15 **Corporate Consent to Entry of Order**

16 I, Andrew Hansen, state that I am the CFO of
17 137 Holdings VII, LLC ("Respondent"); that I am authorized to act on its behalf; that I have
18 read the foregoing Order and that I know and fully understand the Order's contents; that
19 Respondent has been represented by counsel in this matter; that Respondent acknowledges
20 violation of the Alaska Securities Act; that Respondent has been advised of the right to a
21 hearing; that Respondent voluntarily and without any force or duress, consents to the entry of
22 this Order, expressly waiving any right to a hearing in this matter; that Respondent
23 understands that the Administrator reserves the right to take further actions to enforce this
24 Order or to take appropriate action upon discovery of other violations of the Alaska

1 Securities Act, and that Respondent will fully comply with the terms and conditions stated
2 herein.

3 Respondent further assures the Administrator that Respondent and its members,
4 officers, employees and agents will only effect securities transactions in Alaska in full
5 compliance with the terms of this Order, the Alaska Securities Act (AS 45.55) and associated
6 regulations (3 AAC 08).

7 Respondent understands that this Consent Order is a publicly disclosable document.

8
9 4/2/15 /s/ Andrew Hansen
10 Date 137 Holdings VII, LLC
11 Name Andrew Hansen
12 Title CFO

13 SUBSCRIBED AND SWORN TO before me this ____ day of _____, _____ at
14 _____, _____.

15 *See attached California Jurat*

16 _____
Notary Public in and for

17 _____
Notary Printed Name
18 My commission expires: _____

19 Approved as to form:

20 /s/ Elizabeth Reese
21 _____
Attorney for Respondent

22 Contact Person:
23 Ann Penniston
24 Securities Examiner
(907) 269-2090

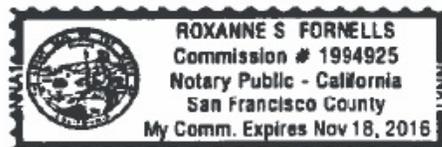
A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

JURAT

STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

Subscribed and sworn to (or affirmed) before me on this 2nd day of April, 2015, by Andrew Hansen, proved to me on the basis of satisfactory evidence to be the person who appeared before me.



Signature /s/ Roxanne S Fornells (seal)