

1 STATE OF ALASKA
2 DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
3 DIVISION OF BANKING AND SECURITIES
4

5 IN THE MATTER OF:)
6 DANIEL DIGIACOMO) **ORDER NO. 13-2031-S**
7) **FINAL CEASE AND DESIST ORDER**
8)
9 Respondent.)
10 _____)

11 The Director of the Department of Commerce, Community, and Economic
12 Development, Division of Banking and Securities (“Administrator”), has conducted an
13 investigation into certain activities of Daniel DiGiacomo (“Respondent”), and has determined
14 that Respondent violated certain provisions of the Alaska Securities Act, Alaska Statute (AS)
15 45.55.

16 **I. BACKGROUND**

17 On November 19, 2013, the Administrator sent a Temporary Cease and Desist Order
18 Effective Immediately with Notice of Hearing Rights and Notice of Final Cease and Desist
19 Order (“Temporary Cease and Desist”) by certified mail, restricted delivery, return receipt
20 requested, to Respondent at his address at 211 E. Lombard Street, #224, Baltimore, Maryland,
21 21202.

22 On November 23, 2013, Respondent received and signed for the Temporary Cease and
23 Desist.

24 On November 26, 2013, Respondent contacted the Administrator by email and stated

1 that his advertisement had been taken down, he was no longer soliciting investors in Alaska,
2 and he will direct his partners to contact the Administrator for guidance if the partners suggest
3 that Respondent market again in Alaska.

4 Respondent made no request for a hearing within 15 days after being served with the
5 Temporary Cease and Desist on November 23, 2013.

6 II. FACTS

7 1. Respondent has an address at 211 E. Lombard Street, #224, Baltimore,
8 Maryland, 21202, and an email address at ddigial@gmail.com.

9 2. On October 2, 2013, Respondent advertised an investment opportunity to Alaska
10 residents through the web site anchorage.backpage.com.

11 3. Respondent claimed to represent a group of investors that invest in historic real
12 estate projects all over the United States.

13 4. Respondent stated that the group of investors was looking for qualified
14 investors to invest in “Federal Historic Tax Credit Equity” in Baltimore, Maryland.

15 5. Respondent was seeking a minimum investment of \$150,000 from an individual or
16 group.

17 6. Respondent asserted the current project budget was \$20,000,000 with over
18 \$4,000,000 in tax credit equity.

19 7. Respondent claimed that the group of investors would pay a respectable finder’s fee
20 for investor referrals.

21 8. Respondent did not file a registration or notice of exemption with the Administrator.

22 9. Respondent failed to disclose material facts in his advertisement including the name,
23 address, and telephone number of the issuer of the investment; the name and description of the
24 project that the investment was based upon; and a statement that the investment has not been

1 registered with or approved by the Administrator or the United States Securities and Exchange
2 Commission.

3 10. Respondent asserted that the investment was registered in the State of Maryland;
4 however, there is no record of any registration in Maryland.

5 11. Respondent has repeatedly failed to provide information requested by the
6 Administrator.

7 III. CONCLUSIONS OF LAW

8 1. The investment that Mr. DiGiacomo was offering to Alaska residents is a “security”
9 as that term is defined in AS 45.55.990(32) of the Alaska Securities Act.

10 2. Mr. DiGiacomo violated 3 AAC 08.011(h) because he offered a finder’s fee for
11 investor referrals without first registering as an Agent of Issuer.

12 3. Mr. DiGiacomo violated AS 45.55.070 because the security being offered was not
13 registered with the Administrator, or exempt from registration.

14 4. Mr. DiGiacomo violated AS 45.55.010(a)(2) because he failed to disclose material
15 facts in his advertisement that resulted in the investment opportunity being misleading.

16 5. Mr. DiGiacomo violated AS 45.55.160 because he provided false information to the
17 Administrator regarding the investment being registered in the State of Maryland, and
18 he failed to provide information requested by the Administrator.

19 IV. ORDER and NOTICE

20 The Administrator, pursuant to AS 45.55.920(a)(1)(A), hereby ORDERS Mr. DiGiacomo to:

21 1. CEASE and DESIST from:

22 A. Offering a finder’s fee for investor referrals without first registering as an
23 Agent of Issuer;

24 B. Offering securities in Alaska that are unregistered or not exempt from

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registration or without adequate and appropriate disclosures to potential investors; and

C. Misrepresenting the registration status of any security or failing to provide requested information to the Administrator.

2. Comply with all provisions of the Alaska Securities Act, including associated regulations.

3. Pursuant to AS 45.55.940(a), Mr. DiGiacomo may obtain a review of this Final Order in the superior court by filing, in accordance with the Rules of Appellate Procedure, a notice of appeal. Pursuant to Appellate Rule 602(a)(2), the notice of appeal must be filed within 30 days from the date this Final Order is mailed or otherwise distributed to Mr. DiGiacomo.

IT IS SO ORDERED.

SUSAN BELL, Commissioner
Department of Commerce, Community and
Economic Development

DATED: December 10, 2013

/s/ Kevin Anselm
BY: Kevin Anselm, Acting Director
Division of Banking and Securities