In the matter of:  

ORDER NO: 15-304-S  

ORDER IMPOSING A CIVIL PENALTY AND CONSENT TO ORDER  

137 Holdings VII, LLC  

ORDER NO: 15-304-S  

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

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

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

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

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

II. CONCLUSIONS OF LAW

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

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

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

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

1. Pay civil penalty in the amount of $500.

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

Chris Hladick, Commissioner
Department of Commerce, Community
and Economic Development

4/6/15
Date

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

Corporate Consent to Entry of Order

I, Andrew Hansen, state that I am the CFO of
137 Holdings VII, LLC (“Respondent”); that I am authorized to act on its behalf; that I have read the foregoing Order and that I know and fully understand the Order’s contents; that Respondent has been represented by counsel in this matter; that Respondent acknowledges violation of the Alaska Securities Act; that Respondent has been advised of the right to a hearing; that Respondent voluntarily and without any force or duress, consents to the entry of this Order, expressly waiving any right to a hearing in this matter; that Respondent understands that the Administrator reserves the right to take further actions to enforce this Order or to take appropriate action upon discovery of other violations of the Alaska Securities Act.
Securities Act, and that Respondent will fully comply with the terms and conditions stated herein.

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

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

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4/2/15
Date

/s/ Andrew Hansen
137 Holdings VII, LLC
Name Andrew Hansen
Title CFO

SUBSCRIBED AND SWORN TO before me this ____ day of ____________, _______ at _____________________, ___________.

See attached California Jurat

Notary Public in and for

Notary Printed Name
My commission expires: ____________

Approved as to form:

/s/ Elizabeth Reese
Attorney for Respondent

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

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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.

/s/ Roxanne S Fornells
Signature (seal)

ROXANNE S FORNELLS
Commission # 1994925
Notary Public - California
San Francisco County
My Comm. Expires Nov 18, 2018